

If you were notified of a Data Incident involving Morley on or about August 1, 2021, you may be entitled to benefits from a settlement.

A federal court has authorized this Notice. This is not a solicitation from a lawyer.

- A settlement has been reached in a class action lawsuit against Morley Companies, Inc. (“Morley” or “Defendant”) regarding a ransomware-type malware attack on Morley’s network and computer systems, that potentially resulted in unauthorized access to Private Information (Social Security numbers, names, addresses, dates of birth, driver’s license numbers, client identification numbers, medical diagnostic and treatment information, and health insurance information) of Settlement Class Members (the “Data Incident”).
- You are a “Settlement Class Member” if you were mailed a notice letter notifying you that your Private Information was potentially compromised in the Data Incident that occurred on or about August 1, 2021.
- Settlement Class Members may be able to recover the following Settlement benefits:

Claimed Benefits: All Settlement Class Members can submit a Claim Form for one or more of the following:

1. **Out-of-Pocket-Expenses Claims:** Reimbursement of up to \$2,500 for certain documented Out-of-Pocket Expenses related to the Data Incident;
2. **Lost-Time Claims:** A cash payment for up to four (4) hours of time spent because of the Data Incident, calculated at \$20 per hour;
3. **California Claims:** A \$75 cash payment for all Settlement Class Members who were a resident of California at the time of the Data Incident;
4. **Credit Monitoring:** Settlement Class Members who did not previously claim credit and identity monitoring provided by IDX will be provided an offer to claim three (3) years of 3-bureau credit monitoring from the Effective Date of the Settlement; and
5. **Password Managing Services:** Settlement Class Members will have the opportunity to enroll in one (1) year of Krroll’s “Dashlane” Password Managing Services (or a similar product).

Automatic Benefits: All Settlement Class Members who previously claimed credit and identity monitoring provided by IDX are entitled to a minimum 3 (three) year extension of the term of their IDX monitoring. You do not need to submit a Claim Form to receive this benefit.

This Notice may affect your rights. Please read it carefully.

Your Legal Rights and Options		Deadline
Submit a Claim Form	To get Settlement benefits for Out-of-Pocket Expenses, Lost-Time, California Claims, Credit Monitoring, and/or Password Managing Services you must submit a Claim Form. You do <u>not</u> need to submit a Claim Form to receive Automatic Benefits.	March 20, 2023
Exclude Yourself	Get no Settlement benefits. Keep your right to file your own lawsuit against the Defendant about the legal claims in this case.	February 7, 2023
Object	Tell the Court why you do not like the Settlement. You will still be bound by the Settlement if the Court approves it.	February 7, 2023
Do Nothing	Get no Settlement benefits. Be bound by the Settlement.	

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this case must still decide whether to approve the Settlement and the requested attorneys’ fees and costs. No Settlement benefits or payments will be provided unless the Court approves the Settlement and it becomes final.

Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

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Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

BASIC INFORMATION

1. Why is this Notice being provided?

A federal court authorized this Notice because you have the right to know about the proposed Settlement of this class action lawsuit and about all of your rights and options before the Court decides whether to grant final approval to the Settlement. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for the benefits, and how to get them.

The Honorable Thomas L. Ludington and Magistrate Patricia T. Morris of the United States District Court of the Eastern District of Michigan are overseeing this class action. The case is known as *Thomsen, et al. v. Morley Cos., Inc.*, Case No. 1:22-cv-10271-TLL-PTM (E.D. Mich.) (the “Litigation”). The people who filed this lawsuit are called the “Plaintiffs” or “Representative Plaintiffs” and the company sued, Morley Companies, Inc., is called “Morley” or the “Defendant.”

2. What is this lawsuit about?

The Plaintiffs allege that on or about August 1, 2021, an unauthorized user launched a ransomware-type malware attack on Morley’s network and computer systems, which potentially resulted in unauthorized access to the Private Information (Social Security numbers, names, addresses, dates of birth, driver’s license numbers, client identification numbers, medical diagnostic and treatment information, and health insurance information) of Settlement Class Members.

The Defendant denies any wrongdoing, and no court or other entity has made any judgment or other determination of any wrongdoing, or that any law has been violated. The Defendant denies these and all other claims made in the Litigation. By entering into the Settlement, the Defendant is not admitting any wrongdoing.

3. Why is the lawsuit a class action?

In a class action, Representative Plaintiffs sue on behalf of all people who have similar claims. Together, all these people are called a Settlement Class or Settlement Class Members. One court resolves the issues for all Settlement Class Members, except for those Settlement Class Members who timely exclude themselves (opt out) from the Settlement Class.

The Representative Plaintiffs in this case are Christine Thomsen, Donna Miller, Shelbi Farrington, Dianna Kometh, Sally Labree, Harry Peterson, Patrick Burnham, David Teverbaugh, Richard Journagin, Gale Marie Jackson, Edward Cable, Carole Dangelo, Sophia Marks, Albert Shearer, and Rebecca Younk.

4. Why is there a Settlement?

Plaintiffs and the Defendant do not agree about the claims made in this Litigation. The Litigation has not gone to trial, and the Court has not decided in favor of the Plaintiffs or the Defendant. Instead, Plaintiffs and the Defendant have agreed to settle the Litigation. Plaintiffs and the attorneys for the Settlement Class (“Class Counsel”) believe the Settlement is best for all Settlement Class Members because of the Settlement benefits and the risks and uncertainty associated with continued litigation and the nature of the defenses raised by the Defendant.

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am part of the Settlement?

You are a Settlement Class Member if you were mailed a notice letter notifying you that your Private Information was potentially compromised in the Data Incident that occurred on or about August 1, 2021.

6. Are there exceptions to being included in the Settlement?

Yes. Excluded from the Settlement Class are (1) Defendant and its respective officers and directors; (2) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (3) the Judge assigned to evaluate the fairness of the settlement; and (4) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, abiding or abetting the criminal activity occurrence of the Data Incident or who pleads *nolo contendere* (a legal term that means “I do not wish to contend”) to any such charge.

7. What if I am still not sure whether I am part of the Settlement?

If you are still not sure whether you are a Settlement Class Member, you may go to the Settlement website at www.MorleySettlement.com or call the Claims Administrator’s toll-free number at 1-855-604-1803.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

8. What does the Settlement provide?

If you are a Settlement Class Member, you may be able to recover the following Claimed Benefits and Automatic Benefit as part of the Settlement:

CLAIMED BENEFITS:

All Settlement Class Members must submit a valid and timely Claim Form to receive any or all of the following Claimed Benefits:

1. Out-of-Pocket Expense Claims

Settlement Class Members who submit a valid and timely Claim Form are eligible to receive reimbursement of up to \$2,500 per Settlement Class Member for their documented Out-of-Pocket Expenses that are reasonably traceable to the Data Incident.

These Out-of-Pocket Expenses include:

- (1) Unreimbursed losses relating to fraud or identity theft;
- (2) Professional fees including attorneys’ and accountants’ fees, and fees for credit repair services;
- (3) Costs associated with freezing or unfreezing credit with any credit reporting agency;
- (4) Credit monitoring costs that were incurred on or after August 1, 2021, that you attest were caused or otherwise incurred as a result of the Data Incident; and
- (5) Miscellaneous expenses such as notary, data charges (if charged based on the amount of data used) fax, postage, copying, mileage, cell phone charges (only if charged by the minute), and long-distance telephone charges.

Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

You must submit documentation of the Out-of-Pocket Expenses as part of your Out-of-Pocket Expense Claim. This may include receipts or other documentation and may not be “self-prepared.” “Self-prepared” documents such as handwritten receipts are, by themselves, insufficient to receive reimbursement, but may be considered to add clarity or support to other submitted documentation.

2. Lost Time Claims

If you are a Settlement Class Member and you file a valid and timely Claim Form, you are eligible to receive payment for up to four (4) hours of time spent dealing with the Data Incident (calculated at the rate of \$20 per hour) if you attest on your Claim Form that the lost time claimed was spent as a result of the Data Incident.

3. California Claims

If you are a Settlement Class Member and you were a resident of California at the time of the Data Incident, you are eligible to receive \$75.00 if you file a valid and timely Claim Form. No documentation is required to be submitted with your claim to receive this benefit.

4. Credit Monitoring

All Settlement Class Members who did not previously claim credit and identity monitoring provided by IDX will be provided a new offer and activation code valid for 90 (ninety) days to claim 3-bureau credit monitoring for a three (year) period from the Effective Date of the Settlement.

5. Password Managing Service

Upon filing a Claim, Settlement Class Members will be sent activation codes valid for 90 (ninety) days to enroll in 1 (one) year of Kroll’s “Dashlane” Password Managing Services (or a similar product).

AUTOMATIC BENEFITS:

All Settlement Class Members who previously claimed credit and identity monitoring provided by IDX are entitled to a minimum 3 (three) year extension of the term of their IDX monitoring. You do not need to submit a Claim Form to receive this benefit.

9. What may cause Settlement benefits to increase or decrease?

If any funds remain in the Settlement Fund after payment of all Settlement benefits, claims administration fees, attorneys’ fees, costs, and service awards, the remaining funds will be used to extend Credit Monitoring to Settlement Class Members who have enrolled in Credit Monitoring as part of the Settlement. Any additional remaining funds will be used for a *pro rata* (a legal term that means equal share) increase of Lost-Time Claims, up to a maximum of \$160 per Settlement Class Member who filed a Lost-Time Claim.

If the Net Settlement Fund is insufficient to cover the payment for the credit monitoring services claimed by Settlement Class Members or automatically awarded, the duration of the credit monitoring will be reduced to exhaust the Settlement Fund and no Settlement Funds will be distributed to Claimants for Approved Claims for Out-of-Pocket Loss Payments, Lost Time Payments, or California Statutory Payments.

If the combined amount of all Out-of-Pocket Loss Payments, Lost Time Payments, California Statutory Payments, payments for Credit Monitoring, and payments for Password Monitoring Services exceeds the total amount of the Settlement Fund, then the value of the Out-of-Pocket Loss Payments to be paid to each Settlement Class Member with a Valid Claim will be reduced on a *pro rata* basis (equal share). The combined value of all payments for Out-of-Pocket Loss, Lost Time, California Statutory awards, Credit Monitoring, and Password Monitoring Services will not exceed

the Settlement Fund (after payment of all Settlement Administration Costs and Expenses, Attorneys' Fees, Expenses, and Service Awards).

10. How do I submit a claim for reimbursement of Out-of-Pocket Expenses, Lost-Time, payment for residents of California, Credit Monitoring, and/or Password Managing Services?

Settlement Class Members seeking reimbursement for Out-of-Pocket Expense Claims, Lost-Time Claims, payment for California Claims, and/or Password Managing Services must complete and submit a Claim Form to the Claims Administrator by **March 20, 2023**. Claim Forms can be submitted online at www.MorleySettlement.com or by mail. If by mail, the Claim Form must be **postmarked by March 20, 2023**.

11. What am I giving up to receive Settlement benefits or stay in the Settlement Class?

Unless you exclude yourself (opt out), you are choosing to remain in the Settlement Class. If the Settlement is approved and becomes final, all Court orders will apply to you and legally bind you. You will not be able to sue, continue to sue, or be part of any other lawsuit against the Defendant and Released Persons about the legal issues in this Litigation that are released by this Settlement. The specific rights you are giving up are called "Released Claims."

12. What are the Released Claims?

The Settlement Agreement in Sections 1.23, 1.25 and 6 describes the Release, Released Claims, and Released Persons in necessary legal terminology, so please read this section carefully. The Settlement Agreement is available at www.MorleySettlement.com or in the public Court records on file in this lawsuit. For questions regarding the Releases or Released Claims and what the language in the Settlement Agreement means, you can also contact one of the lawyers listed in Question 16 of this Notice for free, or you can talk to your own lawyer at your own expense.

HOW TO GET BENEFITS FROM THE SETTLEMENT

13. How do I make a claim for Settlement benefits?

To submit a claim for reimbursement for an Out-of-Pocket Expense Claim, Lost-Time Claim, payment for a California Claim, and/or Password Managing Services you must timely submit a valid Claim Form. Settlement Class Members seeking benefits under the Settlement must complete and submit a Claim Form to the Claims Administrator, postmarked or submitted online on or before **March 20, 2023**. Claim Forms may be submitted online at www.MorleySettlement.com or printed from the Settlement website and mailed to the Claims Administrator at the address on the form. The quickest way to submit a claim is online. Claim Forms are also available by calling 1-855-604-1803 or by writing to:

Morley Claims Administrator
PO Box 6340
Portland, OR 97228-6340

You do not need to submit a Claim Form to receive the Automatic Benefit of Credit Monitoring.

Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

14. What happens if my contact information changes after I submit a claim?

If you change your mailing address or email address after you submit a Claim Form, it is your responsibility to inform the Claims Administrator of your updated information. You may notify the Claims Administrator of any changes by calling 1-855-604-1803 or by writing to:

Morley Claims Administrator
PO Box 6340
Portland, OR 97228-6340

15. When will I receive my Settlement benefits?

If you file a timely and valid Claim Form, payment will be provided by the Claims Administrator after the Settlement is approved by the Court and becomes final.

It may take time for the Settlement to be approved and become final. Please be patient and check www.MorleySettlement.com for updates.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

Yes, the Court has appointed Bryan L. Bleichner of Chestnut Cambronne PA as Class Counsel to represent you and the Settlement Class for the purposes of this Settlement. You may hire your own lawyer at your own cost and expense if you want someone other than Class Counsel to represent you in this Litigation.

17. How will Class Counsel be paid?

Class Counsel will file a motion asking the Court to award attorneys' fees and costs not to exceed 33% of the Settlement Fund, or approximately \$1,419,000. They will also ask the Court to approve service awards for up to \$1,500 to each of the 15 Representative Plaintiffs for participating in this Litigation and for their efforts in achieving the Settlement. If awarded by the Court, attorneys' fees and costs and the service awards will be paid out of the Settlement Fund. The Court may award less than these amounts.

Class Counsel's application for attorneys' fees, costs, and service awards will be made available on the Settlement website at www.MorleySettlement.com before the deadline for you to comment or object to the Settlement.

OPTING OUT FROM THE SETTLEMENT

If you are a Settlement Class Member and want to keep any right you may have to sue or continue to sue the Defendant on your own based on the claims raised in this Litigation or released by the Released Claims, then you must take steps to get out of the Settlement. This is called excluding yourself from or "opting out" of the Settlement.

18. How do I get out of the Settlement?

To opt out of the Settlement, you must mail a written notice of intent to opt out. The written notice must be signed, include your name and address, and clearly state that you wish to be excluded from the Settlement Class.

Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

The opt out request must be **postmarked** and sent to the Claims Administrator at the following address by **February 7, 2023**:

Morley Claims Administrator
Exclusions
PO Box 6340
Portland, OR 97228-6340

You cannot exclude yourself by telephone or by email.

19. If I opt out, can I get anything from the Settlement?

No. If you opt out, you are telling the Court you do not want to be part of the Settlement. You can only get Settlement benefits if you stay in the Settlement.

20. If I do not opt out, can I sue the Defendant for the same thing later?

No. Unless you opt out, you give up any right to sue the Defendant and Released Persons and their Related Entities for the claims this Settlement resolves and Releases relating to the Data Incident. You must opt out of this Litigation to start or continue with your own lawsuit or be part of any other lawsuit against the Defendant, the Related Entities, or any of the Released Persons. If you have a pending lawsuit, speak to your lawyer in that case immediately.

OBJECTING TO THE SETTLEMENT

21. How do I tell the Court that I do not like the Settlement?

If you are a Settlement Class Member, you can tell the Court you do not agree with all or any part of the Settlement or requested attorneys' fees and costs. You can also give reasons why you think the Court should not approve the Settlement or attorneys' fees and costs. To object, you must file timely written notice as provided below no later than **February 7, 2023**, stating you object to the Settlement. The objection must include all the following additional information:

- (1) Your full name and address;
- (2) The case name and docket number, *Thomsen, et al. v. Morley Cos., Inc.*, Case No. 1:22-cv-10271-TLL-PTM (E.D. Mich.);
- (3) Information identifying you as a Settlement Class Member, including proof that you are a member of the Settlement Class (e.g., copy of your settlement notice, copy of original notice of the Data Incident, or a statement explaining why you believe you are a Settlement Class Member);
- (4) A written statement of all reasons for the objection, accompanied by any legal support for the objection you believe is applicable;
- (5) The identity of any and all counsel representing you in connection with the objection;
- (6) A statement whether you and/or your counsel will appear at the Final Fairness Hearing; and
- (7) Your signature or the signature of your duly authorized attorney or other duly authorized representative (if any) representing you in connection with the objection.

To be timely, written notice of an objection in the appropriate form containing the case name and docket number (*Thomsen, et al. v. Morley Cos., Inc.*, Case No. 1:22-cv-10271-TLL-PTM (E.D. Mich.)) must be filed with the Court by **February 7, 2023**, with copies to Class Counsel and Counsel for Defendant:

Questions? Go to www.MorleySettlement.com or call 1-855-604-1803

Court	Class Counsel	Counsel for Defendant
Hon. Thomas L. Ludington United State District Court Eastern District of Michigan United States Post Office Bldg. 1000 Washington Ave. Bay City, MI 48707	Bryan L. Bleichner CHESTNUT CAMBRONNE, PA 100 Washington Avenue South, Suite 1700 Minneapolis, MN 55401	Casie D. Collignon BAKER & HOSTETLER, LLP 1801 California Street, Suite 4400 Denver, CO 80202

Any Settlement Class Member who fails to comply with the requirements for objecting in Section 5 of the Settlement Agreement waives and forfeits any and all rights they may have to appear separately and/or to object to the Settlement Agreement and will be bound by all the terms of the Settlement Agreement and by all proceedings, orders and judgments in the Litigation.

The objector or his or her counsel may also file Objections with the Court through the Court's Electronic-Claims-Filing system, with service on Proposed Settlement Class Counsel and Defendant's Counsel made through the Electronic-Claims-Filing system. For all objections mailed to Proposed Settlement Class Counsel and counsel for Defendant, Settlement Class Counsel will file them with the Court with the Motion for Final Approval of the Settlement.

22. What is the difference between objecting and asking to opt out?

Objecting is simply telling the Court you do not like something about the Settlement or requested attorneys' fees and costs. You can object only if you stay in the Settlement Class (meaning you do not opt out of the Settlement). Opting out of the Settlement is telling the Court you do not want to be part of the Settlement Class or the Settlement. If you opt out, you cannot object to the Settlement.

THE FINAL FAIRNESS HEARING

23. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Fairness Hearing on **April 19, 2023, at 2:00 p.m.** before Judge Thomas L. Ludington and Magistrate Patricia T. Morris, at United State District Court, Eastern District of Michigan, United States Post Office Bldg., 1000 Washington Ave., Room 214, Bay City, MI 48708.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and decide whether to approve the Settlement, Class Counsels' application for attorneys' fees, costs and expenses, and the service awards to the Plaintiff. If there are objections, the Court will consider them. The Court will also listen to people who have asked to speak at the hearing.

Note: The date and time of the Final Fairness Hearing are subject to change. The Court may also decide to hold the hearing via Zoom or by phone. Any change will be posted at www.MorleySettlement.com.

24. Do I have to attend the Final Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to speak about it. As long as you file or mail your written objection on time, the Court will consider it.

25. May I speak at the Final Fairness Hearing?

Yes, as long as you do not exclude yourself (opt out), you can (but do not have to) participate and speak for yourself in this Litigation and Settlement. This is called making an appearance. You also can have your own lawyer speak for you, but you will have to pay for the lawyer yourself.

If you want to appear, or if you want your own lawyer instead of Class Counsel to speak for you at the hearing, you must follow all of the procedures for objecting to the Settlement listed in Question 20 above—and specifically include a statement whether you and your counsel will appear at the Final Fairness Hearing.

IF YOU DO NOTHING

26. What happens if I do nothing at all?

If you are a Settlement Class Member and you do nothing, you will not receive any Settlement benefits. You will give up rights explained in the “Opting Out from the Settlement” section of this Notice, including your right to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendant, the Related Entities, or any of the Released Persons about the legal issues in this Litigation that are released by the Settlement Agreement relating to the Data Incident.

GETTING MORE INFORMATION

27. How do I get more information?

This Notice summarizes the proposed Settlement. Complete details are provided in the Settlement Agreement. The Settlement Agreement and other related documents are available at www.MorleySettlement.com, by calling 1-855-604-1803 or by writing to:

Morley Claims Administrator
PO Box 6340
Portland, OR 97228-6340

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT’S CLERK OFFICE
REGARDING THIS NOTICE.**